

21 April 1949

INTELLIGENCE MEMORANDUM NO. 166

25X1A

SUBJECT: The Commonwealth Conference of 21 April and India's
Constitutional Status

The Commonwealth Prime Ministers Conference which opens in London 21 April is meeting primarily to find a new formula of association that will keep India in the Commonwealth. As presently constituted, the Commonwealth's only formal tie is "a common allegiance to the Crown," whereas the Indian Constituent Assembly, which is expected to finish its work this summer, is already committed to making India "a sovereign democratic republic." While other Commonwealth members, notably Australia and New Zealand, are very anxious not to weaken the position of the Crown, there is a desire on all sides for continued Indian membership in the Commonwealth. So far as the UK is concerned, this desire has an urgency about it that is partly indicated by the unusual speed with which the conference, completely unscheduled two months ago, was prepared for and announced by Prime Minister Attlee.

The Importance to the UK of Retaining India in the Commonwealth.

India's retention in the Commonwealth is urgent for the UK, not merely because of India's own size and importance, but also for its potential ability to strengthen the whole Asian position of the UK, strategically and politically. With the virtual collapse of Nationalist China and the continued weakening of European influence in South East Asia, it has become increasingly evident to UK policy-makers that British Asian interests can be protected only if the UK comes to terms with the new nationalists of the area -- convincing them that the aims of British policy are compatible with their own aspirations, and that British capabilities in the way of naval power, commercial experience, and industrial competence promise far more assistance in realizing those aspirations than anything Soviet Communism has to offer. Looking further ahead, the British seem anxious also to prevent the recrudescence of any sort of "Asia for the Asiatics" movement--of which India would be the logical leader--and even now seem distinctly concerned about the formation of any regional grouping from which British influence would be wholly excluded.

Note: This memorandum has been informally discussed with research analysts of the Intelligence Organization of the Department of State. It has not, however, been submitted for formal concurrence or dissent to any of the IAG agencies.

Document No. 001
NO CHANGE in Class. ☐
☒ DECLASSIFIED
Class. CHANGED TO: TS S C
DFA Memo, 4 Apr 77
Auth: DFA Memo, 77/1763
Date: 4/1/79 By: 012

For the maintenance of the British Asian position under conditions of diminished British power, India has, potentially, at least two important forms of assistance to offer. The first is alliance in the strategic sense, parallel to that supplied by Japan in 1902-22. India is favorably located with respect to Britain's two main strategic interests in the Far East, the raw materials of Malaysia and communications with Australia and New Zealand; the British position in the East has always depended in part on Indian resources; and India is today the nearest approach in Asia to a major power. The second form of assistance is aid in political warfare against the USSR on the "colonialism" issue. In its attempts to influence the various new nationalisms of Asia, the UK, in spite of its record of concessions to colonial nationalism, still speaks with an alien voice and can still be stigmatized by Communist propaganda as "Western imperialist." India, on the other hand, not only speaks with a native voice and possesses an unquestioned "anti-colonial" record, but also provides an object lesson in the sincerity of British promises of self-government to colonial areas.

For the UK to obtain the two forms of assistance, India's continued membership in the Commonwealth—clearly of its own free will — is probably the best means now available. Any military cooperation could be more easily implemented through the existing Commonwealth defense machinery, or an extension thereof, than otherwise. For political warfare against the USSR on the "colonialism" issue, India's continuance is even more important to the UK. For one thing, it would be a pledge before the whole world of India's underlying identification of its interests with the West's no matter how much specific Western policies might be criticized from time to time. For another, it would be a statement to the world of colonial and lately-colonial countries that accommodation of the claims of colonial nationalism is possible within the framework provided by the British Commonwealth and Empire.

The Prospects of Retaining India in the Commonwealth.

For India, on its side, there are substantial advantages to an association with a naval and industrial power able to provide protection to India's essential overseas commerce, capital goods for its industrial development, and technical assistance in many spheres, military as well as industrial. The British withdrawal from direct control has made Indians more conscious than they were two years ago of their own deficiencies in technical expertise. Simultaneously, Indians have been having second thoughts about Soviet intentions, particularly as these impinge on the Indian sub-continent and South East Asia. In this situation an association with the UK, and with Dominions like Australia which fully share India's concern over Communism in Asia, is for India a means of furthering its own long-term national interest. So long,

~~SECRET~~

- 2 -

furthermore, as India's rival, Pakistan, retains the Commonwealth connection which gives it access to British technical assistance in things military, India has an added reason for retaining a similar connection; and for the immediate future India has a direct interest in seeing Britain grow strong and prosperous enough to pay off in capital goods its sizeable wartime debt to India.

At the same time, there is strong Indian feeling against the existing form of Commonwealth relationship because of its reminders of India's previous state of subordination to the UK and, secondarily, because of Indian resentment of racial discrimination in other Commonwealth countries, Indian fear of involvement in European quarrels, and Indian suspicions of British support for the French and Dutch in colonial matters. There are also special resentments, growing in part out of India's "new nation prickliness", when the UK appears not to view sympathetically diplomatic initiative on the part of India - as, for example, when UK officials gave the silent treatment to the January 1949 New Delhi conference on Indonesia.

Because of these diverse considerations, there is plainly a desire on both British and Indian sides for some kind of association for mutual benefit, but disagreement about the terms. For Indians, the minimal terms would appear to be such as to assure them of the full equality of their national status and of their freedom to pursue, within very wide limits, an independent foreign policy. There is evidence that Indian leaders regard the flexible nature of the Commonwealth tie as preferable to a formally negotiated treaty involving fixed obligations; but for Indian opinion generally it is the psychological aspect of Commonwealth membership which seems dominant and constitutes the chief difficulty. Because of India's past experience with the British Raj, these psychological factors focus at the moment on a point that is hard for certain other Commonwealth countries to make concessions about: the British Crown, all reminders of which the Indian Government is at present engaged in removing from Indian life. In the UK particularly, there is considerable appreciation of the Indian point of view about Commonwealth membership and no serious opposition to "changing the rules" as such; but there is real concern lest the position of the Crown be compromised for those Commonwealth countries which find it a positive political force, and lest Commonwealth membership become attenuated to the point of being meaningless. Even stronger apprehensions have been expressed by Australian statesmen and in traditionally "loyal" New Zealand; some elements in other Dominions also feel strongly about the Crown.

~~SECRET~~

-3-

The question of India's continuation in the Commonwealth thus seems to turn on the discovery of a new formula of association which will be once royalist enough for Australia and republican enough for India. One suggested solution is to recognize the King as symbolic head of the Commonwealth as a whole but not necessarily as monarch of each constituent country, and to rely more on ideological than on strictly political ties to express the Commonwealth countries' sense of common interests. Another idea, less favored by UK officials now than a few months ago, is that of a "two-tier Commonwealth," with those countries unwilling to accept the present position of the Crown holding a sort of associate membership--an arrangement not, apparently, very acceptable to India either. With so much depending on the pride and special sensitiveness of the Indians and with no preliminary agreement reached, unqualified prediction of the outcome is clearly impossible; but it may be said that if national self-interest prevails on all sides, a formula will be found.

Probable Consequences.

If no formula is found and India leaves the Commonwealth, other forms of association with the UK and other Commonwealth countries will of course continue, in which case no sudden or drastic reorientation of Indian foreign policy is to be looked for. It is quite possible, for example, to imagine a limited agreement on the part of the UK, Australia, and India to deal with Communist movements in South East Asia or some other ad hoc situation. Nor should economic relations between India and the UK be greatly affected. Nevertheless, one important tie between India and the West will have been broken; the lowered prestige of the Commonwealth will adversely affect the UK's position throughout the world; groupings (like that suggested above) of Western and Asian countries to achieve a common objective will probably occur less often than under Commonwealth auspices; and the West, through the UK, will have lost a promising opportunity in political warfare against the USSR throughout South Asia. Furthermore, there is fear in some quarters that Indian withdrawal from the Commonwealth might encourage a similar course in South Africa, where republican sentiment is deep-rooted in the now-dominant Nationalist Party.

If, on the other hand, the conference succeeds, the way will be open for an effective approach to the problems posed by the

rising nationalisms of Asia and by Communist efforts to exploit them.
an intra-Commonwealth "regional association" of India, Pakistan,
Ceylon, Australia, New Zealand and the UK (because of Malaya) which
was suggested by Foreign Secretary Bevin at the October 1948 conference
of the Commonwealth Prime Ministers, might serve as the nucleus for
a larger grouping concerned about the stability of South East Asia.

~~SECRET~~
-5-